



EARL R. POMEROY
COMMISSIONER OF INSURANCE
STATE OF NORTH DAKOTA
STATE CAPITOL
BISMARCK, NORTH DAKOTA 58505
701 - 224 - 2440

BULLETIN 86-1

TO: ALL PROPERTY CASUALTY INSURANCE COMPANIES
WRITING CROP HAIL INSURANCE IN NORTH DAKOTA

FROM: Earl R. Pomeroy, Commissioner of Insurance

DATE: January 22, 1986

SUBJECT: Marketing of Crop Hail Insurance
in North Dakota in 1986

Every insurance company seeking to market policies for the coverage of crop hail insurance in 1986 shall file with the North Dakota Insurance Department by April 1, 1986, the policy form, rate schedule, and expense exhibit. The expense exhibit shall detail the percentage of expense the company will allocate to the following categories:

- 1) general agent commissions and contingent fees;
- 2) local agent commissions and contingent fees;
- 3) anticipated loss adjustment and claims expense;
- 4) anticipated expenses other than commissions and adjustments.

Crop hail filings made with the Insurance Department prior to the date of this bulletin are not approved for sale in 1986.

The North Dakota Insurance Department will review the aforesaid filings according to the following criteria:

1. Except as otherwise provided herein, rates for crop hail insurance shall be as filed by the Crop Hail Insurance Actuarial Association.
2. Rates for crop hail insurance up to 15% less than those filed by the Crop Hail Insurance Actuarial Association will be allowed, provided that the reduction is clearly supported by actuarial data or the company expense exhibit.
3. Cash discounts in the amount of 5% of the premium to be charged on a policy will be allowed provided the premium is received by the insurance company by July 1, 1986.

4. The purchaser of a crop hail insurance policy is entitled to receive the offer of a cash discount in the event the policy provides therefor. Applications for crop hail insurance based upon filings providing the cash discount shall include notice to the purchaser of the terms and availability of the cash discount. The application shall require the signature of the purchaser specifically waiving his or her option to elect the cash discount in the event the purchaser declines to pay the premium by July 1, 1986.
5. No premium modification discount will be allowed which is based on total limits of liability of the policyholder.



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AMENDMENT TO
BULLETIN 86-1

TO: ALL PROPERTY CASUALTY INSURANCE COMPANIES
WRITING CROP HAIL INSURANCE IN NORTH DAKOTA

FROM: Earl R. Pomeroy, Commissioner of Insurance

DATE: February 28, 1986

SUBJECT: Marketing of Crop Hail Insurance
in North Dakota in 1986

A handwritten signature in dark ink, appearing to read "Earl R. Pomeroy", written over the "FROM:" line.

Paragraph 3 of Bulletin 86-1 is amended to read as follows:

3. Cash discounts in the amount of ~~8~~ of the premium to be charged on a policy will be allowed provided the premium is received by the insurance company by July 1, 1986.